

STATE OF HAWAII — DEPARTMENT OF TAXATION
MOVING EXPENSES

1995

or other taxable year beginning _____, 19____ and ending _____, 19____

CAUTION: If a resident taxpayer leaves the State of Hawaii for other than temporary or transitory purposes and is not domiciled in Hawaii, he or she ceases to be a resident; in such a case, expenses incurred in moving to a new place of employment outside the State of Hawaii shall not be allowed.

Name(s) as shown on Form N-12 or N-15

Your Social Security Number

Caution: If you are a member of the armed forces, see the Instructions before completing this form.

- | | | | |
|---|--|---|-------|
| 1 | Enter the number of miles from your old home to your new workplace | 1 | miles |
| 2 | Enter the number of miles from your old home to your old workplace | 2 | miles |
| 3 | Line 1 minus line 2. Enter the result but not less than zero | 3 | miles |

Is line 3 at least 50 miles?

Yes ➤ Go to line 4. Also, see **Time Test** in the Instructions.

No ➤ You **cannot** deduct your moving expenses. Do not complete the rest of this form.

- | | | | |
|---|---|---|--|
| 4 | Transportation and storage of household goods and personal effects | 4 | |
| 5 | Travel and lodging expenses of moving from your old home to your new home. Do not include meals | 5 | |
| 6 | Add lines 4 and 5 | 6 | |
| 7 | Enter the total amount your employer paid for your move (including the value of services furnished in kind) that is not included in the wages box of your HW-2 or federal W-2 form. This amount should be identified with code P in box 13 of your federal W-2 form. | 7 | |

Is line 6 more than line 7?

Yes ➤ Go to line 8.

No ➤ You **cannot** deduct your moving expenses. If line 6 is less than line 7, subtract line 6 from line 7 and include the result in income on Form N-12, line 7, or Form N-15, line 7.

- | | | | |
|---|--|---|--|
| 8 | Line 6 minus line 7. Enter the result here and on Form N-12, line 21, or Form N-15, line 23.
This is your moving expense deduction | 8 | |
|---|--|---|--|

Instructions

Purpose of Form

Use Form N-139 to figure your moving expense deduction if you moved to a new principal place of work (workplace) within the United States or its possessions. If you qualify to deduct expenses for more than one move, use a separate Form N-139 for each move.

Note: *If a taxpayer leaves the State of Hawaii for other than temporary or transitory purposes and is not domiciled in Hawaii, he or she ceases to be a resident; in such a case, as with a nonresident taxpayer, expenses incurred in moving to a new place of employment outside the State of Hawaii shall not be allowed.*

Additional Information

For more details, get federal Publication 521, Moving Expenses.

Other Forms You May Have to File

If you sold your main home in 1995, you must file Form N-103, Sale of Your Home, to report the sale.

Who May Deduct Moving Expenses

If you moved to a different home because of a change in job location, you may be able to deduct your moving expenses. You may be able to take the deduction whether you are self-employed or an employee. But you must meet certain tests explained next.

Distance Test.—Your new principal workplace must be at least 50 miles farther from your old home than your old workplace was. For example, if your old workplace was 3 miles from your old home, your new workplace must be at least 53 miles from that home. If you did not have an old workplace, your new workplace must be at least 50 miles from your old home. The distance between the two points is the shortest of the more commonly traveled routes between them.

Time Test.—If you are an employee, you must work full time in the general area of your new workplace for at least 39 weeks during the 12 months right after you move. If you are self-employed, you must work full-time in the general area of your new workplace for at least 39 weeks during the first 12 months and a total of at least 78 weeks during the 24 months right after you move.

You may deduct your moving expenses even if you have not met the time test before your return is due. You may do this if you expect to meet the 39-week test by the end of 1996 or the 78-week test by the end of 1997. If you deduct your moving expenses on your 1995 return but do not meet the time test, you will have to either:

- Amend your 1995 tax return by filing Form N-188X, Amended Individual Income Tax Return, or

- Report the amount of your 1995 moving expense deduction that reduced your 1995 income tax as income in the year you cannot meet the test. For more details, see **Time Test** in federal Publication 521.

If you do not deduct your moving expenses on your 1995 return and you later meet the time test, you may take the deduction by filing an amended return for 1995. To do this, use Form N-188X.

Exceptions to the Time Test.—The time test does not have to be met if any of the following apply:

- Your job ends because of disability.
- You are transferred for your employer's benefit.
- You are laid off or discharged for a reason other than willful misconduct.
- You meet the requirements (explained later) for retirees or survivors living outside the United States.
- You are filing this form for a decedent.

Members of the Armed Forces

If you are in the armed forces, you do not have to meet the **distance and time tests** if the move is due to a permanent change of station. A permanent change of station includes a move in connection with and within 1 year of retirement or other termination of active duty.

How to Complete the Form.—First, complete lines 4 through 6 using your actual expenses. **Do not** reduce your expenses by any reimbursements or allowances you received from the government in connection with the move. Also, do not include any expenses for moving services that were provided by the government. If you and your spouse and dependents are moved to or from different locations, treat the moves as a single move.

Next, enter on line 7 the total reimbursements and allowances you received from the government in connection with the expenses you claimed on lines 4 and 5. **Do not** include the value of moving services provided by the government. Then, complete line 8 if applicable.

Qualified Retirees or Survivors Living Outside the United States

If you are a retiree or survivor who moved to a home in the State of Hawaii and you meet the requirements below, you are treated as if you moved to a new workplace located in the State of Hawaii. You are subject to the distance test.

Retirees.—You may deduct moving expenses for a move to a new home in the State of Hawaii when you actually retire if both your old principal workplace and your old home were outside the United States.

Survivors.—You may deduct moving expenses for a move to a home in the State of Hawaii if you are the spouse or dependent of a person whose principal workplace at the time of death was outside the United States. In addition, the expenses must be for a move (1) that begins within 6 months after the decedent's death, and (2) from a former home outside the United States that you lived in with the decedent at the time of death.

Reimbursements

If your employer paid for any part of your move, your employer must give you a statement showing a detailed breakdown of reimbursements or payments for moving expenses. Your employer may use federal Form 4782, Employee Moving Expense Information, or his or her own form.

You may choose to deduct moving expenses in the year you are reimbursed by your employer, even though you paid the expenses in a different year. However, special rules apply. See **How To Report** in federal Publication 521.

If you incurred moving expenses before 1994 and you did not deduct these expenses on a prior year's tax return, you must use Parts II and III of the 1994 Form N-139 to deduct these expenses. You may get the 1994 form by calling the Department of Taxation's forms request number at (808) 587-7572 or 1-800-222-7572.

Line-by-Line Instructions

You may deduct the following expenses you incur in moving your family and dependent household members.

Do not deduct expenses for employees such as a servant, governess, or nurse.

Line 4.—Enter the actual cost to pack, crate, and move your household goods and personal effects. You may also include the cost to store and insure household goods and personal effects within any period of 30 days in a row after the items were moved from your old home and before they were delivered to your new home.

Line 5.—Enter the costs of travel from your old home to your new home. These include transportation and lodging on the way. Include costs for the day you arrive. Although not all the members of your household have to travel together or at the same time, you may only include expenses for one trip per person.

If you use your own car(s), you may figure the expenses by using either:

- Actual out-of-pocket expenses for gas and oil, or
- Mileage at the rate of 9¢ a mile.

You may add parking fees and tolls to the amount claimed under either method. Keep records to verify your expenses.